



**VASCON**<sup>®</sup>  
Development with Conscience

# Vascon Engineers Limited

## Development With Conscience

# Analyst Presentation

## Q2 FY 2012 Result Update

November, 2011





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# Consolidated Profitability Statement



Rs. mn	Q2 FY12	Q2 FY 11	H1 FY 12	H1 FY 11	FY 2011
Revenue	1,822	2,071	3,630	4,122	10,230
Other Income	42	183	96	195	298
Total Income	1,864	2,254	3,726	4,317	10,528
Raw Material	1,275	1,651	2,622	3,230	8,126
Employee Cost	188	160	367	283	623
Other Expenses	136	141	252	235	497
EBITDA	265	302	485	569	1,281
<b>EBITDA Margin</b>	<b>14.2%</b>	<b>13.4%</b>	<b>13.0%</b>	<b>13.2%</b>	<b>12.2%</b>
Interest	119	49	239	90	257
Depreciation	46	34	86	53	138
PBT	100	219	161	425	885
Tax	58	41	95	109	226
PAT	42	178	65	316	659
<b>PAT Margin</b>	<b>2.3%</b>	<b>8.6%</b>	<b>1.8%</b>	<b>7.7%</b>	<b>6.4%</b>

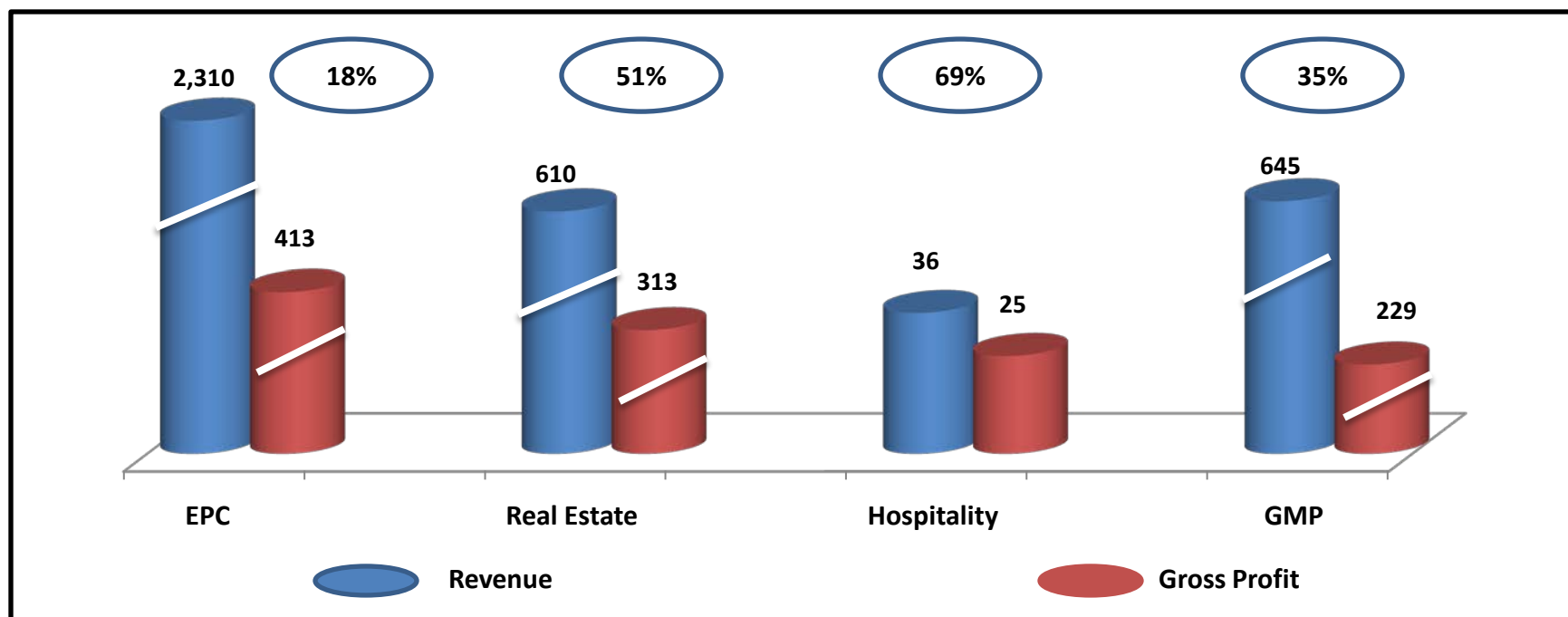
Increase in Interest & Finance Charges is mainly due to :

- i) Increase in debt (Rs 1,190 mn)
  - ii) Increase in interest rate (300 bps) – current average interest rate is 14.9%
  - iii) Interest paid (Rs. 22 mn) for debt taken on behalf of SPV not consolidated
- Other Income includes interest received from SPV (Rs 22 mn)

# Segment-wise Financial Highlights: H1 FY 2012



Rs. mn	EPC	Real Estate	Hospitality	GMP	Others	Consolidated
Revenue	2,310	610	36	644	30	3,630
Cost Of Sales	1,897	297	11	416	-	2,621
Gross Profit	413	313	25	228	29	1,009
Gross Profit %	17.9%	51.3%	69.4%	35.5%		27.8%



# Consolidated Balance Sheet



Rs. mn	30-Sep-11	31-Mar-11
Net Worth	7,232	7,175
Total Debt	3,700	3,704
Minority Interest	86	77
Deferred Tax Liabilities	3	2
<b>Total Liabilities</b>	<b>11,022</b>	<b>10,957</b>
Net Assets	2,290	2,253
Investment	861	1,016
Deferred Tax Asset	9	20
<b>Current Assets</b>		
Inventory	3,485	2,911
Receivables	3,478	3,435
Cash & Bank Balance	502	1,124
Loans & Advances	4,257	3,726
Current Liabilities	3,099	3,054
Provisions	761	475
Net Current Assets	7,861	7,668
<b>Total Assets</b>	<b>11,022</b>	<b>10,957</b>
<b>Net Debt</b>	<b>3,199</b>	<b>2,579</b>
<b>Net Debt : Equity</b>	<b>0.44</b>	<b>0.36</b>

Low Gearing

# EPC Order Backlog movement

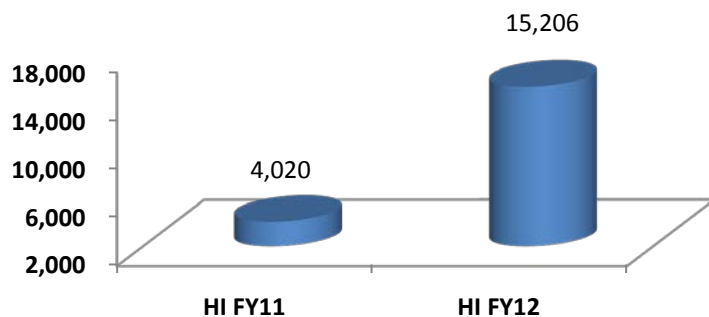


## EPC Order additions in H1FY12 – Rs 15,206 mn

Project name	Location	Type	Contract Value (Rs. mn)
Renissance Industrial Park	Mumbai	Industrial	11,000
Parthenon Phase II	Mumbai	Residential	1,860
"Kshitij" Parmanandwadi	Mumbai	Residential	964
Delanco - DLF	Goa	Residential	429
PNR Housing	Coimbatore	Residential	160
Cipla API-II	Kurkumbh	Industrial	124
Symboisis	Noida	Institution	39

Project name	Location	Type	Contract Value (Rs. mn)
Tivoli	Nagpur	Residential	228
Monotype Grihanirman	Pune	Industrial	141
Cipla API-II	Kurkumbh	Industrial	135
Cummins Inida	Amboli	Industrial	72
Ramkunj Finishing work	Mumbai	Residential	30
Cipla Verna warehouse	Goa	Industrial	23

### Third Party EPC Order Inflow



### EPC Order Backlog as of September, 2011

	Order Book		Backlog
	#	Rs. mn	Rs. mn
3rd Party Contracts	68	39,836	27,023
Own Contracts	17	12,314	10,009
<b>Total EPC</b>	<b>85</b>	<b>52,150</b>	<b>37,032</b>

## Renaissance Warehouse & Industrial Park – Bhiwandi

- **First Private Sector “MIDC equivalent” Industrial Park in MMR region**
  - 352 acres of Integrated Warehousing and Industrial Complex
    - 16 million sq. ft to be developed in 5 years
  
- **EPC Contract - Rs 1100 Crores**
  - EPC Contract to be executed jointly by Vascon and Renaissance
    - 65% share of Vascon in LLP formed for contract
  - Contract includes construction of Industrial and Logistic park at Bhiwandi
  
- **Credentials of Developer - Renaissance Infra Reality Pvt. Ltd**
  - 28 lacs Sq. ft Developed till date
  - Project Management Consultant (PMC) to the Government of India
  - Cluster Management & Technical Agent (CMTA) to the Government of India
  - Empanelment as professional Consultant cum Architects for LIC of India

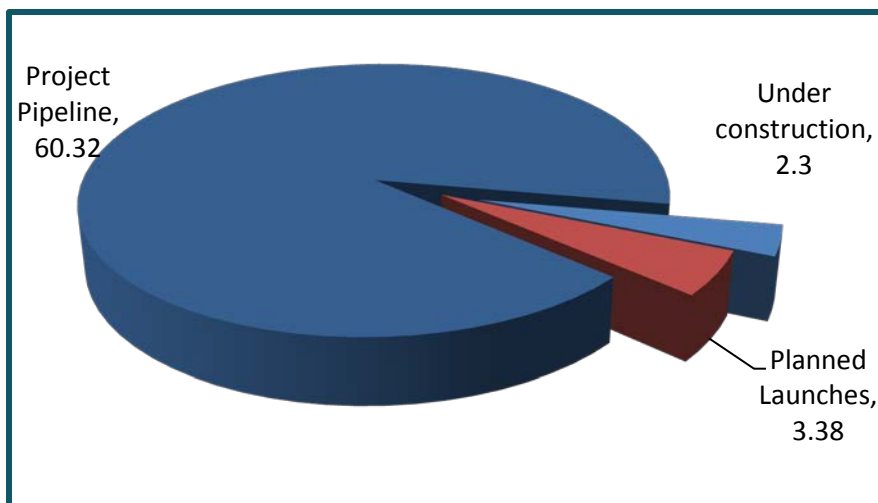
## Project Details till September 30, 2011

Project Name	Location	Vascon Share		Project Area	Area Sold	Sale Value	Collection	Rev. Recognised
		Equity	Revenue					
				msft	msft	Rs. mn	Rs. mn	Rs. mn
Willows Phase I	Pune	100%	56%	0.22	0.19	805	762	609
Willows Phase II	Pune	100%	56%	0.16	0.13	567	181	116
Vista - Phase I	Nashik	100%	100%	0.18	0.17	364	364	355
Vista - Phase II	Nashik	100%	100%	0.13	0.11	270	105	71
Forest County (11 bld.)	Pune	50%	100%	0.84	0.68	2,482	723	196
Tulips – Phase I	Coimbatore	70%	70%	0.07	0.07	252	134	133
Tulips - Phase II	Coimbatore	70%	70%	0.20	0.07	284	6	-
Windmere Duplex	Pune	100%	45%	0.17	0.05	665	65	7
Windmere Apartments	Pune	100%	45%	0.22	0.04	474	52	8
Xotech	Pune	50%	100%	0.12	0.02	99	11	-
<b>Total</b>				<b>2.31</b>	<b>1.54</b>	<b>6,257</b>	<b>2,403</b>	<b>1,496</b>



Project Name	Location	Project Area	Development Time-Line
		msft	Years
Chennai Project	Chennai	1.57	3.0
Neelambur Project	Coimbatore	0.80	3.0
Panache Heights	Hyderabad	0.58	3.5
Nature Spring	Pune	0.24	2.5
Vista Phase III	Nashik	0.10	2.5
Ela	Pune	0.09	2.0
<b>Total</b>		<b>3.38</b>	

All projects will have the apartments ranging between Rs. 20 – 50 lakhs.



- **Total Vascon Investment for Real estate Development ~ Rs. 4,000 mn**
  - No further payment towards Land is required
- **66 msft Total Developable Area**
  - Share of Vascon - 38 msft
- **Development Plan**
  - Targeting to mid price segment development (Rs. 3000 – 5000 psft)

		Projects Under Construction	Unsold Inventory of Completed Projects*
Total Area	Sqft	2,309,181	-
Area sold till 30th Sep-11	Sqft	1,540,200	-
Sales Value of Area Sold	Rs. Mn.	6,257	-
Amount Collected till 30 September, 2011	Rs. Mn.	2,403	-
Area unsold till 30th Sep-11	Sqft	768,981	494,421
Estimated Sales Value of Unsold Area	Rs. Mn.	6,509	2,363
Less : Share of JD Partner	Rs. Mn.	5,316	1,011
Less: Estimated Construction Cost to be spent	Rs. Mn.	2,962	-
<b>Positive Cash flow</b>	Rs. Mn.	2,085	1,352

\* Projects include Marigold, Al Monte, Phoenix, V Tech

**Projected Cash flow from ongoing projects ~Rs. 3,437 mn**

# Strategic Investment in Hospitality Business



Hotel	Galaxy Resorts	Golden Suits	Hyatt	Holiday Inn	Coimbatore Hotel
<b>Location</b>	Goa	Pune	Pune	Pune	Coimbatore
<b>Holding</b>	43.83%	50%	26%	28.70%	70%
<b>Category</b>	3 Star	3 Star	5 Star	5 Star	4 Star
<b>No. of Keys</b>	65	71	306	187	129
<b>Total Area (Sft)</b>	70,000	55,000	4,50,000	1,09,769	1,06,500
<b>Operator</b>	Royal Orchids	Royal Orchids	Hyatt	Holiday Inn	To be tied up
<b>Operational</b>	Jan 2005	June 2007	Nov 2010	April 2011	FY 2013
<b>Vascon Investment (Rs. Mn.)</b>	37	177	304	239	140

**Total Investment in Hotel Projects ~ Rs. 900 Mn.**



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# Annexure

# Key Third Party EPC Contracts



Nos.	Client	Location	Contract Value	Order Backlog
			Rs. mn.	Rs. mn.
1	Renissance Industrial Park	Mumbai	11,000	11,000
2	Parthenon Phase II -Ecstasy Realty	Mumbai	1,860	1,705
3	NBCC Mumbai	Mumbai	1,312	1,312
4	Park-Amstoria-Phase -I - BPTP	Gurgaon	1,297	1,192
5	TN Assembly Complex (Block-B) *	Chennai	2,109	1,179
6	Adani -Meadows Shantigram	Ahmedabad	1,321	1,101
7	"Kshitij" Parmanandwadi	Mumbai	964	883
8	Akshaya January	Chennai	900	791
9	KONDHWA Realty	Pune	999	727
10	North Town, Chennai	Chennai	748	626
11	HDIL *	Mumbai	1,791	603
12	Theme Park-Adlabs	Khapoli	569	569
13	Parthenon-Ecstasy Realty	Mumbai	609	507
14	Park Spacio-BPTP	Gurgaon	520	441
15	Delanco - DLF- GOA	Goa	429	427
16	Villa Viviana	Chennai	562	409
17	Continental Hospitals Ltd.	Hyderabad	483	282
18	TATA Housing	Lonavala	326	244
19	Park Mansion-BPTP-(Medhawas)	Gurgaon	328	244
20	Neelkanth Palacia,Mall & Business centre	Mumbai	1333	240

\* The construction work is on hold

**Total EPC Order Backlog of Rs.37,032 mn**

# Residential Real Estate Portfolio



No.	Project	Location	Vascon Share		Project Area Acres	Developable Area (msf)		Estd. Price Rs. / sft	Development Time-Line*
			Equity	Revenue		Project	Vascon		
1	Symphony	Thane	44.4%	100%	145.12	18.96	8.43	4,500	7
2	Chennai Project	Oragadam	100%	76%	105	11.67	8.87	3,500	6
3	Nature Spring	Pune	100%	65%	58.06	3.5	2.28	3,000	4
4	Forest County	Pune	50%	100%	51.29	3.01	1.5	4,000	4
5	Caladium - Bavdhan Villas	Pune	100%	57%	95	2.86	1.63	4,000	4
6	Neelambur Project	Coimbatore	70%	100%	28.7	2.55	1.79	3,000	4
7	Willows	Pune	100%	56%	15.88	1.34	0.75	4,200	3
9	Marigold	Pune	50%	100%	7.35	1.21	0.6	6,000	3
10	Madurai - Residential	Madurai	100%	71%	23.8	0.95	0.68	3,000	3
11	Spring Field	Pune	100%	72%	15.06	0.66	0.47	3,500	3
12	Panache Heights	Hyderabad	100%	67%	3.5	0.6	0.4	4,000	3
13	Vista	Nashik	100%	100%	6.67	0.57	0.57	3,000	2.5
14	Xotech	Pune	50%	100%	6.25	0.5	0.25	4,200	2
15	Daffodil	Goa	100%	100%	7.57	0.46	0.46	3,000	2
16	Tulips Dwellings	Pune	100%	72%	5.42	0.46	0.33	3,500	2
17	KATVI	Pune	100%	100%	7.92	0.42	0.42	3,500	2
18	Windermere	Pune	100%	45%	4.75	0.4	0.22	15,000	2.5
19	Venus	Pune	100%	100%	5.5	0.35	0.35	3,500	2
20	Tulip	Coimbatore	70%	70%	34.37	0.27	0.1	4,000	2
21	Vista Annex	Nashik	100%	100%	1.96	0.17	0.17	3,000	2
22	Ela - Hadapsar	Pune	100%	100%	4.2	0.15	0.15	4,000	2
23	Sayali	Pune	100%	100%	5	0.11	0.11	3,000	2

\* Development time line from commencement of project date

# Commercial Real Estate Portfolio



No.	Project	Location	Vascon Share		Project Area Acres	Developable Area (msf)		Estd. Price Rs. / sft	Development Time-Line* Years
			Equity	Revenue		Project	Vascon		
1	Vascon City Gold	Ahmedabad	65%	67%	25.98	2.65	1.15	3,500	4
2	Caladium	Pune	100%	57%	95	2.93	1.67	4,000	4
3	Grey Stone	Aurangabad	49%	100%	14.91	1.4	0.69	3,000	3.5
4	Forest County	Pune	50%	100%	51.29	1.34	0.67	4,000	3
5	Platinum Square	Pune	100%	58%	8.67	0.76	0.44	4,000	2.5
6	Madurai	Madurai	100%	71%	28.2	0.67	0.46	3,000	2
7	Spring Field	Pune	100%	72%	15.06	0.62	0.45	3,050	2.5
8	Nucleus	Coimbatore	70%	70%	34.37	0.45	0.22	3,500	2
9	Marisoft Annex	Pune	50%	58%	3.4	0.44	0.13	5,000	2
10	Silver Spring	Nashik	100%	100%	3.17	0.3	0.3	3,000	2.5
11	Nucleus - Zirakpur	Chandigarh	100%	50%	1.94	0.25	0.13	5,000	2.5
12	KATVI	Pune	100%	100%	7.92	0.17	0.17	3,750	2
13	Coimbatore hotel	Coimbatore	70%	70%	34.37	0.15	0.07	3,200	2
14	Nucleus	Belgaum	100%	67%	1.72	0.15	0.1	3,500	2
15	Windermere	Pune	100%	45%	4.75	0.12	0.06	15,000	2

\* Development time line from commencement of project date

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